

**Department of the Treasury, Departmental Offices
Consumer Financial Protection Bureau Implementation Team
Request for Emergency Processing and Approval
Qualitative Testing of Integrated Mortgage Loan Disclosure Forms**

EMERGENCY JUSTIFICATION

The Department of the Treasury (Treasury), on behalf of itself and the Consumer Financial Protection Bureau (CFPB), respectfully requests emergency processing and approval of the collection of information to be used for the qualitative testing of integrated mortgage loan disclosure forms. The collection is needed prior to the expiration of the time periods set out in 5 C.F.R. Part 1320.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law No. 111-203, Title X (the Dodd-Frank Act), requires CFPB to propose for public comment rules and model disclosures that combine certain disclosures required under the Truth in Lending Act and the Real Estate Settlement Procedures Act, into a single, integrated disclosure for mortgage loan transactions covered by those laws. (Dodd-Frank Act § 1032(f)). The Dodd-Frank Act mandates that a proposed rule be issued within one year after the designated transfer date, which is set for July 21, 2011. The target date is to issue the proposed rule as soon after the Transfer Date as possible.

Under section 1032(b)(3), model forms must be validated through consumer testing. To effectively test the model form, the CFPB implementation team has determined that both qualitative and quantitative testing of the form will be necessary. It has further determined that the qualitative evaluation of the form, as part of the iterative design process, needs to be initiated in May 2011, to allow for five rounds of testing to be conducted in six cities, with sufficient time for analysis and revisions between each round. Beginning in September, the CFPB implementation team will undertake a quantitative study to validate the form (an Information Collection Request (ICR) for that data collection will be submitted separately). The aggressive schedule is necessary to have a validated disclosure form in January 2012, so that the Bureau can draft proposed regulations, complete impact analyses and other applicable procedural requirements, and publish the proposed rule by July 21, 2012, as mandated in the Dodd-Frank Act. Moving forward as quickly as possible to develop a disclosure that successfully communicates information to consumers about the terms of mortgage loans and enables consumers to understand and compare the loan products being offered is important to improving the market for mortgage loans.

Given the timing of the consumer testing, the CFPB implementation team cannot reasonably comply with the normal clearance procedures under 5 C.F.R. Part 1320 with respect to this information collection.